POLLUTION

X NON POLLUTION

OKLAHOMA CORPORATION COMMISSION INCIDENT AND COMPLAINT INVESTIGATION REPORT

Form 1085-0 Rev-2014

Complainant Type: Company Taken By: Incident No.

GEORGÉ SCHWARZ 18517OGDO10016

Complainant: Date Time Referred From 01/05/2017 11:20:22

HALLCO PETROLEUM INC
1300 W MAIN ST

Joint Inspection Date:

OKLAHOMA CITY, OK 73106-5224 Home Phone: Not on file. Email: LGARNER@SBCGLOBAL.NET

Work Phone: (405) 236-4255

FAX No.: (405) 236-4261

Company: Joint Inspection Date:

HALLCO PETROLEUM INC

Phone No.: (405) 236-4255

1300 W MAIN ST
OKLAHOMA CITY, OK 73106-5224
Second Number: Not on file.

Email: LGARNER@SBCGLOBAL.NET Operator No.: 14962

Lease/Well Name: CONKLIN Well No.: 3 API No: 071-22836

Location within Sec.: NE4 SW4 Sec 09 Twp 27N Rge 05E County: KAY

General Directions: Lat: 36.830803

Long: -96.772493

Complaint/Incident Incident Type: Well Site

Source Code(s) & Description(s) Nature of Complaint:

99-Other Arbuckle zone plug back request by UIC.

Water Body Affected: NO Fish/Wild Kill Reported: N

Response

Investigator: GEORGE SCHWARZ Phone No. (918) 697-7833 Initial Response Date: 12/12/2016

Follow Up Dates:

Investigation Date: Mediation Date: Remediation Date: Litigation Date:

12/14/2016

Referred To: Referred Date:

Agency of Jurisdiction: Oklahoma Corporation Commission Resolved Date: 12/30/2016

N Water Body Affected Confirmed N Fish/Wildlife Kill Confirmed Incident Confirmation Status:

Red-Tagged Date: Removal Date: Confirmed Violation

Violations: None Citation #:

Findings: 12/30/2016: The OCC UIC Department is requiring a 100 foot separation from the Granite formation in Arbuckle Disposal wells.

The bottom of the Arbuckle formation in this well is 4506 (open hole log); Drillers TD on this well is 4571' (65 feet into the granite formation).

12/13/2016: After the pulling the injection TBN, T&L Well Service RIH with working string of strapped TBN; tagged top of fill @ 4441' (65' of Arbuckle formation fill back).

12/13/2016: dropped 2 foot of pea gravel, let settle and tagged @ 4439'.

12/14/2016: spotted 20 sacks CMT into open hole Arbuckle formation through TBN (Oklahoma Cementing, Cushing), let set, tagged @ 4405 with strapped TBN. The resulting 101 foot plug back separation from the top of the granite is comprised of 67 feet fill with 34 feet of cement on top of fill. Note: The estimated top of cement submitted on the 1003 C reports by the cement company are calculated volume estimates and may not correlate precisely with mechanical 'tagged' measurements witnessed and reported herein by OCC Inspector .

12/14/2016: TOP of CMT Tag witnessed by OCC inspector George Schwarz.

12/15-12/16/2016: Packer was re-dressed and set @ 3,374'; MIT was done and well returned to service.

Recommendations: 12/30/2016: The above action meets the current UIC requirements for Arbuckle Disposal separation from the Granite formation.

This issue is resolved.